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BEFORE THE ARIZONA CORPORATION COMMISSION
Arizona Corporation Commission

DOCKETED

MAY 16 2002

WILLIAM A. MUNDELL
Chairman
JIM IRVIN
Commissioner
MARC SPITZER
Commissioner

DOCKETED BY	<i>ms</i>
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IN THE MATTER OF SABROSA WATER
COMPANY'S REQUEST FOR APPROVAL
OF A CURTAILMENT PLAN TARIFF

DOCKET NO. W-02111A-02-0303

DECISION NO. 64833

Open Meeting
May 14 and 15, 2002
Phoenix, Arizona

ORDER

BY THE COMMISSION:

FINDINGS OF FACT

1. Sabrosa Water Company ("Sabrosa") is a public service corporation, which serves development in the New River area, east of Anthem in Maricopa County. The Company consists of three individual wells, 10,000 gallons and 22,500 gallons storage, booster pumps, pressure tanks, and distribution mains. The total customer base is 72 service connections.

2. On December 6, 2000, Arizona-American Water Company (formerly Citizens Water Services Company) was retained as an interim management entity for Sabrosa, pursuant to Decision No 63136. Arizona-American Water Company ("Arizona-American") is the current manager of Sabrosa.

3. On April 24, 2002, Arizona-American filed, on behalf of Sabrosa, an application with the Commission requesting approval of a curtailment plan tariff.

4. The purpose of the curtailment plan tariff is to establish guidelines for the equitable management or restriction of water use by customers when Sabrosa is experiencing a water shortage emergency.

5. The curtailment Plan tariff proposed by Arizona-American would work in stages and is presented as Exhibit A. The exhibit represents the tariff as filed by Arizona-American.

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CONCLUSIONS OF LAW

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2 1. Sabrosa is a public service corporation within the meaning of Article XV, Section 2, of
3 the Arizona Constitution.

4 2. Arizona-American is acting as interim manager, and has the authority to operate and
5 manage Sabrosa pursuant to Decision No. 63136.

6 3. The Commission has jurisdiction over Sabrosa, and the subject matter of the request.

7 4. The Commission, having reviewed the request for approval of the tariff and Staff's
8 Memorandum dated May 1, 2002, concludes that it is in the public interest to approve the curtailment
9 plan tariff.

ORDER

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11 IT IS THEREFORE ORDERED that Sabrosa Water Company, Arizona-American Water
12 Company as interim manager, or any other management entity, appointed pursuant to Decision 63136,
13 shall be authorized to implement its proposed curtailment plan tariff.

14 IT IS FURTHER ORDERED that this curtailment plan tariff become part of the Arizona
15 Department of Environmental Quality Emergency Operations Plan for Sabrosa Water Company.

16 IT IS FURTHER ORDERED that Sabrosa Water Company. shall not implement its curtailment
17 plan tariff until all current customers of Sabrosa have been given notice of this tariff. Sabrosa shall
18 notify its customers the tariff authorized herein as part of its next regularly scheduled billing or no later
19 than 60 days after the effective date of this order.

20 IT IS FURTHER ORDERED that Sabrosa Water Company shall provide a copy of the
21 curtailment tariff to any customer, upon request.

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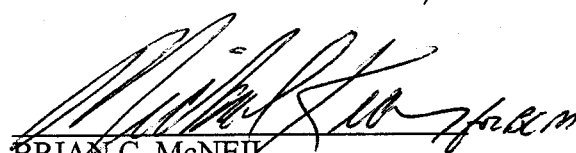
Decision No. _____

ORDER

IT IS FURTHER ORDERED that this Decision shall become effective immediately.

BY ORDER OF THE ARIZONA CORPORATION COMMISSION
CHAIRMAN
COMMISSIONER
COMMISSIONER

IN WITNESS WHEREOF, I, BRIAN C. McNEIL, Executive Secretary of the Arizona Corporation Commission, have hereunto, set my hand and caused the official seal of this Commission to be affixed at the Capitol, in the City of Phoenix, this 16TH day of MAY, 2002.


BRIAN C. McNEIL
Executive Secretary

DISSENT: _____

EGJ:LRH:nms/JMA

64833

Decision No. _____

1 SERVICE LIST FOR: Sabrosa Water Company
2 DOCKET NO. W-02111A-02-0303

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64833

Decision No. _____

Utility: SABROSA WATER CO
Docket No.: W-02111A-02-0303
Phone No.: (623) 974-2521

Tariff Sheet No.: 1 of 3
Decision No.: _____
Effective: _____

Curtailment Plan For Sabrosa Water Co.

ADEQ Public Water System ID Number: 07-052

Sabrosa Water Company ("Company" or "Sabrosa") is authorized to curtail water service to all customers, residential and commercial, within its certificated area under the following terms and conditions:

Stage 1 Exists When:

The Company is able to maintain water storage in the system at 100 per cent of capacity and there are no known problems with its well production or water storage in the system.

Restrictions: Under Stage 1, the Company is deemed to be operating normally and no curtailment is necessary.

Notice Requirements: Under Stage 1, no notice is necessary.

Stage 2 Exists When:

- a. The Company's total water storage or well production has been less than 80 per cent of capacity for at least 48 consecutive hours, and
- b. The Company has identified issues such as steadily declining water table, an increased draw-down threatening pump operations, or poor water production creating a reasonable belief the Company will be unable to meet anticipated water demands in the system.

Restrictions: Under Stage 2, the Company may request the customers to voluntarily employ water conservation measures to reduce water consumption by approximately 50 per cent. Outside watering should be limited to essential water, dividing outside watering on some uniform basis (such as even and odd days) and eliminating outside watering on weekends and holidays.

Notice Requirements: Under Stage 2, the Company is required to notify customers by delivering written notice door to door at each service address, or by United States first class mail to the billing address or, at the Company's option both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.

TARIFF SCHEDULE

EXHIBIT A

Utility: SABROSA WATER CO
Docket No.: W-02111A-02-0303
Phone No.: (623) 974-2521

Tariff Sheet No.: 2 of 3
Decision No.: _____
Effective: _____

Stage 3 Exists When:

- a. The Company's total water storage or well production has been less than 50 per cent of capacity for at least 24 consecutive hours, and
- b. The Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Restrictions: Under Stage 3, the Company shall request the customer to voluntarily employ water conservation measures to reduce daily consumption by approximately 50 per cent. All outside watering should be eliminated, except livestock, and indoor water conservation techniques should be employed whenever possible.

Notice Requirements:

1. The Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option both. Such Notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. Beginning with Stage 3, the Company shall post at least two (2) signs showing the curtailment stage. Signs shall be posted at noticeable locations, such as well sites and at the entrance to the major subdivision (2) served by the Company.
3. The Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering stage 3.

Stage 4 Exists When:

- a. The Company's total water storage or well production has been less than 25 per cent of capacity for at least 12 consecutive hours, and
- b. The Company has identified issues such as a steadily declining water table, increased draw down threatening pump operations, or poor water production, creating a reasonable belief the Company will be unable to meet anticipated water demand on a sustained basis.

Decision No. 64833

TARIFF SCHEDULE

EXHIBIT A

Utility: SABROSA WATER CO
Docket No.: W-02111A-02-0303
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Tariff Sheet No.: 3 of 3
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(Stage 4 Exists When - continued)

Restrictions: Under Stage 4, the Company shall inform the customers of a **mandatory** restriction to employ water conservation measures to reduce daily consumption. Failure to comply will result in customer disconnection. The following uses of water shall be prohibited:

- ◆ Irrigation of outdoor lawns, trees, shrubs, or any plant life is prohibited
- ◆ Washing of any vehicle is prohibited
- ◆ The use of water for dust control or any outdoor cleaning uses is prohibited
- ◆ The use of drip or misting systems of any kind is prohibited
- ◆ The filling of any swimming pool, spas, fountains or ornamental pools is prohibited
- ◆ Restaurant patrons shall be served water only upon request
- ◆ Any other water intensive activity is prohibited

Notice Requirements:

1. The Company is required to notify customers by delivering written notice to each service address, or by United States first class mail to the billing address or, at the Company's option, both. Such notice shall notify the customers of the general nature of the problem and the need to conserve water.
2. The Company shall post at least two (2) signs showing curtailment stage. Signs shall be posted at noticeable locations, such as the well sites and at the entrance to the major subdivision served by the Company.
3. The Company shall notify the Consumer Services Section of the Utilities Division of the Corporation Commission at least 12 hours prior to entering stage 4.

Customers who fail to comply with cessation of outdoor use provisions will be given a written notice to end all outdoor use. Failure to comply with in two (2) working days of receipt of the notice will result in temporary loss of service until an agreement can be made to end unauthorized use of outdoor water. To restore service, the customer shall be required to pay all authorized reconnection fees.

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